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FM AMEMBASSY ASHGABAT
TO RUEHC/SECSTATE WASHDC PRIORITY 4089
INFO RUCNCLS/ALL SOUTH AND CENTRAL ASIA COLLECTIVE
RUCNCIS/CIS COLLECTIVE
RUCNMEM/EU MEMBER STATES COLLECTIVE
RUEHAK/AMEMBASSY ANKARA 6139
RUEHBJ/AMEMBASSY BEIJING 3828
RUEHKO/AMEMBASSY TOKYO 3687
RUEHIT/AMCONSUL ISTANBUL 4381
RUEKJCS/Joint STAFF WASHDC
RUEAIIA/CIA WASHDC
RUCPDOC/DEPT OF COMMERCE WASHDC
RHEFDIA/DIA WASHDC
RHEBAAA/DEPT OF ENERGY WASHDC
RHEHNSC/NSC WASHDC
RUEATRS/DEPT OF TREASURY WASHDC
RUEKJCS/SECDEF WASHINGTON DC
RUCNDT/USMISSION USUN NEW YORK 1423
RUEHVEN/USMISSION USOSCE 4312

UNCLAS SECTION 01 OF 02 ASHGABAT 000074

SENSITIVE
SIPDIS

STATE FOR SCA/CEN;
EEB/IFD/OMA FOR BSAUNDERS
COMMERCE FOR DSTARKS/EHOUSE

E.O. 12958: N/A
TAGS: [EAID](#) [AID](#) [ECON](#) [EFIN](#) [PREL](#) [TX](#)
SUBJECT: TURKMENISTAN'S BUDGET PUBLICLY AVAILABLE, BUT
OMISSIONS REMAIN

REF: A. STATE 1923
[1](#)B. 09 ASHGABAT 413

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[11.](#) (U) Sensitive but unclassified. Not for public Internet.

[12.](#) (SBU) The following is Post's response to ref A that
requests information about Turkmenistan's central government
budget.

[13.](#) (SBU) Is the host's annual national budget publicly
available?

Total amounts for both the general state budget, which
includes central and local government revenue and expenses,
and the central (non-local) government were published in the
state-published newspaper "Neutral Turkmenistan" on November
23, 2009. There is no detailed breakdown of the overall
budget figures available to the public.

[14.](#) (SBU) Are incomes and expenditures included in the
publicly-available budget?

The 2010 budget figures published in the Turkmen newspaper
indicated \$16.94 billion in revenues and a projected \$17.47
billion in expenditures, leaving a \$0.52 billion deficit.
There was mention that \$2.8 billion in revenues come from tax
revenues. There was no line item breakdown of expenditures.

[15.](#) (SBU) What is post's assessment of the extent to which the
publicly-available budget accurately reflects actual
government incomes and expenditures?

The publicly available budget figures do not include revenues
and expenditures of self-supporting government sectors such
as the oil and gas sector and the railways. There is no

transparency regarding the government's overall revenues and expenditures. There is no basis to determine the accuracy of the published figures. Additionally, the largest contributor to government revenues, oil and gas revenues, is handled separately from the published budget figures.

16. (SBU) Have there been any events since the 2009 review that may have affected fiscal transparency (e.g., a coup)? No.

17. (SBU) Since last year's review, what efforts has the host government undertaken to improve fiscal transparency? (ref B) What progress has been made, pursuant to the 2009 demarches on the subject?

In 2009, the GOTX approved and participated in the following projects funded by USAID's Economic Reform to Enhance Competitiveness (EREC) project: the establishment of an International Financial Reporting Standards (IFRS) Training Center at the Turkmen Academy of Sciences, which will train university professors on how to introduce IFRS into the Turkmen university accounting curriculum and serve as a resource facility for Turkmen professors' ongoing professional development; courses in the Certified Accounting Practitioner/Certified International Professional Accountant (CAP/CIPA) "Train the Trainers Program for Accounting Professors" program with 102 Turkmen participants; courses in the CAP/CIPA "Train the Trainers Program for Banking Sector Specialists, with 275 participants between December 2008 and November 2009; a review of the Supreme Control Chamber (SCC) of Turkmenistan, which resulted in a development plan that identifies priorities for capacity building; and a two-year time schedule for strengthening the SCC through the implementation of agreed activities contained in the

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development plan. Additionally, the GOTX participated in a joint EREC and EU-TACIS program to assist Turkmen Ministry of Finance reps prepare a set of national accounting standards based on international standards, and the GOTX signed an MOU with the United Nations Center for Preventive Diplomacy (UNDP) on accounting reforms in the banking sector that produced a step-by-step action plan to implement IFRS. By approving and participating in the above-mentioned programs, the GOTX has shown a continued willingness to improve fiscal transparency.

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